

IN THE MATTER OF: * BEFORE THE MARYLAND COMMISSIONER
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 *
 VIRGINIA HERITAGE BANK * OF FINANCIAL REGULATION
 *
 Respondent *
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SETTLEMENT AGREEMENT AND CONSENT ORDER

This Agreement is entered into this 11th day of February, 2010 by and between the Commissioner of Financial Regulation of the State of Maryland (the "Commissioner") and Virginia Heritage Bank ("Virginia Heritage").

WHEREAS, the Commissioner is charged under Title 11, Subtitle 5 of the Annotated Code of Maryland, Financial Institutions Article, the Maryland Mortgage Lender Law (the "MMLL"), with the responsibility of licensing and regulating mortgage lenders who make or broker consumer loans secured by residential real property located in this State; and

WHEREAS, Virginia Heritage holds a license in this State to operate as a mortgage lender at 11166 Fairfax Boulevard, Fairfax, Virginia 22030; and

WHEREAS, the Commissioner alleges that Virginia Heritage conducted business involving Maryland mortgage transactions at its 4211 Pleasant Valley Road, Chantilly, Virginia 20151 location without benefit of a proper license; but also desires to comply with all applicable laws and regulations, and to avoid action being initiated by the Commissioner which would result in costs of litigation, administrative hearings and other expenses; and

WHEREAS, the Commissioner desires to ensure that Virginia Heritage will comply with all applicable licensing requirements and other provisions of law and regulations applicable to mortgage lending in this State, and desires to avoid the cost to the taxpayers of lengthy hearings, court proceedings and appeals;

NOW, THEREFORE, in consideration of the foregoing premises, and other good and valuable consideration, the parties agree as follows:

1. Virginia Heritage has applied for a license for its Chantilly, VA location and will apply for licensure for any other of its branches, subsidiaries and/or affiliates seeking to do mortgage lending business in Maryland. Virginia Heritage will not conduct mortgage lending business at any new branches until such licenses have been issued.
2. Virginia Heritage agrees that it shall pay to the Commissioner ten thousand eight hundred sixty dollars (\$10,860.00), for conducting business prior to the

Commissioner's approval. The fine amounts to three hundred seventy dollars (\$370) for each of the twenty-eight (28) Maryland loans conducted by Virginia Heritage Bank without benefit of a Maryland license. The fine also includes the non-refundable surcharge of five hundred dollars (\$500.00). The payment of ten thousand eight hundred sixty dollars (\$10,860.00) will be made by check payable to the Commissioner of Financial Regulation at the execution of this Agreement.

3. Virginia Heritage agrees that in the event it violates any provision of this Agreement, the MMLL, any other law which applies to mortgage lending in Maryland, or any regulation promulgated pursuant to any such laws; the Commissioner may, at the Commissioner's discretion, take such enforcement actions as permitted by, and in accordance with, applicable law. Subject to the particular circumstances, such actions may include such things as: order to cease and desist, suspension or revocation of mortgage lender license, monetary sanctions, and referral for possible criminal prosecution.
4. Virginia Heritage further acknowledges that it has voluntarily entered into this Agreement, with full knowledge of the right to a hearing pursuant to the MMLL and the Maryland Administrative Procedure Act.
5. This Agreement constitutes the resolution of a disputed matter, and will not be deemed an admission by Virginia Heritage of liability or a willful violation of the licensing provisions of the MMLL.

IN WITNESS WHEREOF, this Agreement is executed in duplicate, on the day and year first above written.

COMMISSIONER OF FINANCIAL
REGULATION

VIRGINIA HERITAGE BANK

By: 

Anne E. Ecker
Director, Licensing Unit

By: 

David Summers
Chairman

By: 

Mark Kaufman
Deputy Commissioner